

**A RESOLUTION
BY PUBLIC SAFETY/LEGAL ADMINISTRATION:**

A RESOLUTION AUTHORIZING THE CITY ATTORNEY TO EXTEND A RETAINER AGREEMENT WITH THE LAW FIRM OF MORRIS, MANNING & MARTIN, LLP TO SERVE AS OUTSIDE COUNSEL TO THE CITY OF ATLANTA IN CONNECTION WITH THE CASES STYLED: VEOLIA WATER NORTH AMERICA OPERATING SERVICES LLC F/K/A U.S. FILTER OPERATING SERVICES, INC. V. CITY OF ATLANTA, CIVIL ACTION NO. 06-CV-1457, CITY OF ATLANTA V. VEOLIA WATER NORTH AMERICA OPERATING SERVICES, F/K/A U.S. FILTER OPERATING SERVICES, INC., CIVIL ACTION NO. 2006 CV 119510, CITY OF ATLANTA V. VEOLIA ENVIRONNEMENT, S.A. F/K/A VIVENDI ENVIRONNEMENT, S.A., CIVIL ACTION NO. 1:06-CV-1631, VEOLIA WATER NORTH AMERICA OPERATING SERVICES LLC F/K/A U.S. FILTER OPERATING SERVICES, INC., CIVIL ACTION NO. 2006-CV-118577; TO AUTHORIZE EXPENDITURES FOR THAT PURPOSE IN AN AMOUNT NOT TO EXCEED \$1.5 MILLION DOLLARS TO BE CHARGED TO AND PAID FROM FUND ACCOUNT AND CENTER NUMBER 2JO1 (WATER AND WASTE WATER) 524001 (PROFESSIONAL CONSULTANT SERVICES) Q30001 (DEPUTY COMMISSIONER, TREATMENT & COLLECTION).

WHEREAS, on August 1, 2002, the City and Veolia Water North America Operating Services LLC (Veolia), f/k/a U.S. filter Operating Services, Inc., executed a Long-Term Biosolids Management Services Agreement for the operation, maintenance, repair, design and construction of the biosolids operations of the City's four Wastewater Reclamation Centers; and

WHEREAS, the City alleges that Veolia consistently failed to fulfill its obligations under the Agreement to properly manage, operate, and maintain the facilities and design and construct needed capital improvements; and

WHEREAS, the City provided written notification to Veolia on December 7, 2005 that it was in default under the Agreement and demanded that Veolia immediately come into compliance with the Agreement; and

WHEREAS, Veolia failed to take any corrective measures after receiving the notice and filed an action against the City in the United States District Court for the Northern District of Georgia styled as *Veolia Water North America Operating Services LLC f/k/a U.S. Filter Operating Services, Inc. v. City of Atlanta*, Civil Action No. 06CV1457, resulting in the City's filing the above-referenced civil actions; and

WHEREAS, the City terminated the Agreement in July 2006 due to Veolia's failure to cure its default of its obligations under the Agreement;

WHEREAS, pursuant to Section 2-407 of the City Code, the City Attorney engaged Morris, Manning & Martin, LLP to represent the City in this matter, given the nature, size and complexity of this case;

WHEREAS, the City Attorney has determined that the law firm of Morris, Manning & Martin has both the specialized practice skills as well as the considerable legal resources necessary to augment the expertise in the City Law Department; and

WHEREAS, pursuant to Resolution No. 06R2059 the City Attorney was previously authorized to expend one million five hundred thousand dollars (\$1.5 million) on this matter and now additional funds are needed for legal services, as this case moves through the process of litigation.

THE CITY COUNCIL OF THE CITY OF ATLANTA, HEREBY RESOLVES that the City Attorney be and is authorized to extend its retention agreement with the law firm of Morris, Manning & Martin to serve as outside counsel to the City Attorney on legal matters related to *Veolia Water North America Operating Services LLC f/k/a U.S. Filter Operating Services, Inc. v. City of Atlanta*, Civil Action No. 06-CV-1457, *City of Atlanta v. Veolia Water North America Operating Services f/k/a U.S. Filter Operating Services, Inc.*, Civil Action No. 2006 CV 119510, *City of Atlanta v. Veolia Environment, S.A., f/k/a Vivendi Environment, S.A.*, Civil Action No. 1:06-CV-1631, and *Veolia Water North America Operating Services, LLC f/k/a U.S. Filter Operating Services, Inc.*, Civil Action File No. 2006-CV-18577.

BE IT FURTHER RESOLVED that the City Attorney be and is hereby authorized to incur legal fees, costs and expense related to this matter in an amount not to exceed \$1.5 Million Dollars.

BE IT FINALLY RESOLVED that the Chief Financial Officer is hereby authorized to remit payment of all legal fees, expenses and costs due for legal services rendered by the law firm of Morris, Manning & Martin in connection with the foregoing matters, once approved for payment by the City Attorney, in an amount not to exceed \$1.5 Million Dollars to be paid from Fund Account And Center Number 2J01 (Water And Waste Water) 524001 (Professional Consultant Services) Q30001(Deputy Commissioner, Treatment & Collection).